Message Text

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ACTION EB-11

INFO OCT-01 NEA-10 ADP-00 COME-00 XMB-07 TRSE-00 L-03

AID-20 IGA-02 CIAE-00 DODE-00 INR-10 NSAE-00 PA-03

RSC-01 USIA-12 PRS-01 RSR-01 /082 W ------ 034562

R 091830Z JUL 73

FM AMEMBASSY NEW DELHI TO SECSTATE WASHDC 5455 INFO AMEMBASSY BEIRUT AMCONSUL BOMBAY

CONFIDENTIAL NEW DELHI 7990

BEIRUT FOR RCAA - DEPT PASS COMMERCE AND EXIMBANK

E.O. 11652: GDS TAGS: BEXP, IN

SUBJ: BOEING SALES PROSPECTS IN INDIA

REF: NEW DELHI 7517

- 1. HINDUSTAN TIMES OF JULY 9 CARRIES ARTICLE REPORTING THAT INDIANAIRLINES HAS SUBMITTED TO GOVERNMENT RECOMMENDATION THAT AIRLINE PURCHASE THREE ADVANCED 737'S FOR DELIVERY LATE 1974. ARTICLE ALSO STATES UNEQUIVOCALLY THAT PLANES OFFERED ON BASIS EXIM BANK FINANCING OF 90 PERCENT OF PURCHASE PRICE, AND THAT AIRLINE HAS UNTIL AUGUST 1 TO SIGN CONTRACT TO AVOID 5.5 PERCENT INCREASE IN PRICE.
- 2. STORY IS SIMILAR TO WHAT BOEING SALES REPRESENTATIVES TOLD US (REFTEL). HOWEVER, BASIC BOEING PROPOSAL COVERS FOUR PLANES AND BOEING SAID 90 PERCENT FINANCING BY EXIM WAS WHAT IT CONSIDERED WARRANTED AND NECESSARY. INDIAN AIRLINES WOULD SAY ONLY THAT STORY IS NOT BASED ON FIRST-HAND INFORMATION FROM AIRLINE, IMPLYING THAT STORY IS HERESAY.
- 4. THUS CURRENT SITUATION IS THAT INDIAN AIRLINES, PENDING CONFIDENTIAL

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GOVERNMENT ACTION IN ITS RECOMMENDATION, IS STILL UNWILLLING

TO CONFIRM THAT IT HAS CHOSED 737 THOUGH COMPANY HAS HINTED AS MUCH TO BOEING AND STORY HAS NOW REACHED PRESS.

5. ACTION REQUESTED: EMBASSY WOULD APPRECIATE GUIDANCE ON HOW WE SHOULD RESPOND TO QUERIES BASED ON STATEMENT IN ARTICLE ON EXIM FINANCING.

MOYNIHAN

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Message Attributes

Automatic Decaptioning: X Capture Date: 01 JAN 1994 Channel Indicators: n/a

Current Classification: UNCLASSIFIED Concepts: COMMERCIAL AIRCRAFT

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Disposition Approved on Date:
Disposition Authority: elyme
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
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Executive Order: GS MOYNIHAN

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Review Markings:

Declassified/Released US Department of State EO Systematic Review 30 JUN 2005

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Secure: OPEN Status: NATIVE

Subject: BOEING SALES PROSPECTS IN INDIA

TAGS: BEXP, IN, XMB

To: STATE

Type: TE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005